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Fulbright Reports C.I.A. Confirms Use Of Laos Aid Cover

By RICHARD HALLORAN

Special to The New York Times

WASHINGTON, March 13 — Senator J. W. Fulbright, chairman of the Foreign Relations Committee, said today that he had confirmation that the Central Intelligence Agency was using the Agency for International Development as a screen for its operations in Laos.

The Senator's office said that Richard Helms, Director of Central Intelligence, had generally confirmed the accuracy of press dispatches from Laos reporting the C.I.A. activity. Mr. Helms testified before the committee in a closed session this morning.

Congressional sources said that most of the hearing had been devoted to Laos, particularly on the foreign aid mission there. They declined to reveal details of the testimony but said that Mr. Helms had been forthright in answering the Senators' questions.

"The Senators were seeking information," one source said, "and they got it." The sources also said Mr. Helms emphasized that his agency did not make policy but only executed it as best it could.

Senator Fulbright said after the hearing that he placed the responsibility for the intelligence operations under the foreign aid cover on the National Security Council, which is President Nixon's chief advisory group on foreign policy.

Press reports from Laos for some time have referred to C.I.A. activities in general terms. They have focused on the training, supplies, and financing furnished by the agency to the clandestine army of Mai Gen. Vang Pao, who leads a force of Meo tribesmen.

More recently, dispatches in The Los Angeles Times have pinpointed certain intelligence operations within the foreign aid mission. A unit known as the Rural Development Annex has reportedly been recruiting and training guerrilla soldiers and clandestine agents for operations against the North Vietnamese invaders and the Pathet Lao, the pro-Communist Laotian insurgents.

The Special Requirements Office, also in the foreign aid mission, has reportedly been responsible for supplying the clandestine units. According to the dispatches, both units are staffed largely by former American military men attracted by the high pay of the intelligent operation.

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OFFICE OF LEGISLATIVE COUNSEL

Friday - 13 March 1970

1. (Secret - GLC) By way of followup to our conversation yesterday, I advised Bill Woodruff, on the staff of the Senate Appropriations Committee, that the Director would welcome an opportunity to brief the Armed Services CIA Subcommittee as well as the Appropriations CIA Subcommittee on Laos. Woodruff said that when he sees Senator Russell this afternoon he will suggest that the briefing be given to the combined Subcommittees.

2. (Secret - JMM) [REDACTED] and I accompanied the Director who appeared before the Senate Foreign Relations Committee in response to the Committee's request to discuss Agency use of [REDACTED]. A transcript is available in the Office of Legislative Counsel.

3. (Confidential - JMM) Mr. Bannerman called to say that a budget officer from AID had called [REDACTED], Office of Finance, to say that AID was appearing before Representative Passman's Foreign Operations Subcommittee of House Appropriations on Tuesday, 17 March, and wished advice on how to handle questions regarding:

[REDACTED]

I called Ralph Preston, House Appropriations Committee staff, who offered to take the matter up with Chairman Mahon suggesting the Chairman either intervene with Passman to lay off this kind of inquiry, or provide us guidance as to how to respond.

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